

With Society

Realizing a sustainable future

Nissan's vision is "enriching people's lives."

This vision reflects our wish to create value and to be a company that is valued by society.

This means contributing to local development by generating economic activity or by engaging in partnerships with the local community and acting as a good corporate citizen. It also means taking educational and environmental initiatives that are an investment in all our futures.

As a member of the global community, we wish to continue to contribute to the positive development of society.

With Our Community

Contributing to the Local Community through Profitable Growth and Local Production

Producing more than three million vehicles annually

Nissan aims to achieve sustainable, profitable growth. Profitable growth allows investment in the future. We need to realize our mid-term and long-term goals and use our capabilities to help create a sustainable society. Nissan regards the sustainability of the company and of society to be closely interconnected. Sustainability plays a key role in all our business decisions. In addition, Nissan works to "localize production" so that vehicles can be produced near the markets where they are actually used. Currently, we have production bases globally, such as in the US, the UK, China, Spain, and Mexico as well as in Japan, and produce more than three million vehicles a year throughout the world. This means that not only are we able to respond quickly to diverse customer needs, but that we also contribute to the regions in which we operate. Through our economic activity, we are able to contribute to communities by making investments, paying taxes, creating new jobs, and providing suppliers with business opportunities.

A Company that is Not Appreciated by the Local Community Cannot Prosper

Starting projects to get closer to the community

Nissan is a network of companies such as plants, development centers and dealers operating in every region of the world. However, we still believe there is room to improve and strengthen our partnerships with local communities. For instance, in an attitude survey of citizens in Fukuoka Prefecture, Japan, where we have one of our main plants, it turned out that more than half of the citizens did not know about the existence of Nissan's plant in the prefecture. The result urged us to act on our belief that "a company that is not appreciated by its local community cannot prosper." In fiscal year 2004, we initiated the "Local Project" in Japan, starting in Fukuoka, Kanagawa and Tochigi Prefectures where the vehicle production plants of Nissan Motor Co., Ltd. are located, in order to build stronger partnerships with local communities.

Activities of Nissan Motor Manufacturing (UK) Ltd.

The Sunderland plant in the UK has produced Nissan vehicles since 1986 and is currently the largest automobile plant in the UK with 4,125 employees and 320,000 vehicles produced during fiscal year 2004. NMUK has been named as the most productive plant in Europe for seven consecutive years. At the plant we pay attention not only to productivity, but also to establishing strong ties with the local community and promoting social contribution activities.



Nissan Motor Manufacturing (UK) Ltd.



Nissan acquired naming rights to International Stadium Yokohama, which hosted the World Cup 2002 finals, and renamed it Nissan Stadium (Japan)

At NMUK, we encourage staff to take part in charitable events, and superfluous office equipment is recycled into the local community for reuse.

As a unique activity, the plant supports BEN, a benevolent institution.* The plant recently provided on-site office space inside the plant for BEN and raised and donated funds amounting to 40,000 pounds in two years. Today, we still offer the GAYE (Give As You Earn) system where a part of employees' salaries are voluntarily donated through automatic bank transfer. Currently over 800 employees take part in this scheme. Another unique activity is that all funds raised through Company Staff events are donated to NECCR (North of England Children Cancer) research fund. This organisation is the premier research unit into children's cancers in Britain.

*What is BEN?

BEN is the Motor and Allied Trades Benevolent Fund - the automotive and related industries' own charity. Founded in 1905 BEN has been helping, men, women and children connected to the motor, motorcycle, cycle, commercial vehicle and agricultural engineering industries plus associated trades for 100 years. Employees past and present plus their dependants can contact BEN in times of crisis.

BEN's Welfare Team is currently helping over 15,000 people in the community, 55% of whom are of working age. Help is provided in many ways and is crucial in keeping families together when they experience issues involving mental health, drugs, or alcohol abuse. The fund also provides financial and emotional support to people facing severe hardship.

Contributing as a member of the local community

Nissan wishes to contribute to local economies and to promote sports and culture in the areas where its business operations are located. In Kanagawa Prefecture, Japan, where the City of Yokohama is located, Nissan's major business operations include the Yokohama Plant, the Oppama Plant (Yokosuka City), the Nissan Technical

Center (Atsugi City), and the Nissan Research Center (Yokosuka City). Approximately 30,000 employees work in the prefecture, including our affiliated companies and dealers. In 2010, we are planning to move our global headquarters to the Minato Mirai 21 area of the City of Yokohama and to construct a new company building there. International Stadium Yokohama, which is the home stadium of the Yokohama F. Marinos, a professional soccer team owned by Nissan, is also located in the City of Yokohama. Nissan acquired naming rights to the stadium and renamed it "Nissan Stadium" in March 2005.

The Nissan Technical Center, Nissan's largest research and development center located in Atsugi and Isehara Cities in Kanagawa Prefecture, has a five-year investment plan of about 58 billion yen from fiscal year 2005 to expand research and development functions. The Center also plans to provide advanced technological know-how to local small and medium sized companies.

We are also strengthening our ties with local universities, companies and local governments. Together with universities and research organizations in the region, we conduct many joint projects, such as the "Nissan e-care system™." (→P22)

Nissan also wishes to further support and stimulate the local community through a number of initiatives, by participating in local events, or by supporting transportation safety instruction for children and educational and cultural activities in cooperation with local governments such as Kanagawa Prefecture or Atsugi City.



The Canton Plant uses water-based paints to reduce VOC emissions (USA)



The walking path next to Tochigi Plant (Japan)

Pollution Prevention around Plants Avoiding the pollution of air, water and soil

It is the responsibility of a manufacturer to prevent air, water and soil pollution and to avoid any negative impact on local residents or areas near plants. We take preventive measures and observe related laws and regulations in each region.

Prevention of air pollution

Currently, we focus on reducing the use of volatile organic compounds (VOCs) that make up 90% of the chemical substances emitted during the vehicle's production process. We try to reduce offsite VOC emissions by increasing the recycling ratio of used paint thinner, as well as by reducing the amount of VOC used.

We are switching to water-based paint, which generates lower VOC emissions. The Kyushu Plant maintains some of the industry's lowest VOC discharge levels from its water-based painting lines.

Water-based paint has also been adopted in the US at the Smyrna Plant in Tennessee and at the Canton Plant in Mississippi.

Prevention of water, groundwater and soil pollution

We are making an effort to reduce our use of water, to recycle water within our production process, and to treat wastewater. For instance, the Tochigi Plant in Japan has introduced a system which stops offsite drainage of rain if oil and other spills are detected by a water quality sensor installed in the rainwater outlet.

Each of our places of business independently studies soil and groundwater and investigates the history of chemicals that have been used on site. In the UK, for instance, Nissan Motor Manufacturing (UK) Ltd. established a system in which spill response teams cope with accidents whenever a spill into the soil is detected.

Reflecting Regional Diversity Our commitment to increase minority representation in dealers by 20%, suppliers by 7% and for employees to reflect the US marketplace

Nissan respects the diversity of each region in our work environments and at our sales and service facilities around the world (→ P28).

Nissan North America (NNA), for example, has made a commitment to build positive relationships with minority (ethnic minorities) dealers and suppliers. In cooperation with the National Association of Minority Automobile Dealers, NNA has identified qualified minority dealer candidates, and has met its target of increasing the minority representation by 20%

As for suppliers, NNA has established a Supplier Diversity Initiative, the objective of which is to achieve at least 7% of controllable spending with minority suppliers. Both initiatives successfully met their implementation date of the end of fiscal year 2004.



Providing cars to a welfare program delivering meals to the aged (Canada)



Supporting a project delivering food, cloths and other items to those living in poor regions (Brazil)

Delivering hot meals to aged people — The Nissan Canada Foundation

The Nissan Canada Foundation works to help seniors across Canada cope with every day hurdles and to help them be more independent. One of the biggest ways the Foundation helps the seniors' community is through the "Meals on Wheels" program. With over 50 Nissan

dealers across Canada participating in Meals on Wheels, there are close to sixty Nissan vehicles being used to deliver hot meals to seniors every day. The Foundation donates these vehicles and allows "Meals on Wheels" agencies to use them for up to three years.

To assist the company in the design of its advertising and public relations programs targeted to minority consumers, NNA has formed partnerships with Hispanic and African-American public relations and advertising agencies.

Nissan employees across Europe raised funds which were matched by Nissan Europe. This donation was given to CARE, an international NGO, in order to support a program in the Aceh Province in Indonesia. An emergency shelter and livelihood project for farming and fishing communities affected by the Tsunami will be operated until December 2006 and will benefit 20,000 people.

Supporting Communities Hit by Disaster

Support to the victims of the Sumatra and Niigata Earthquakes

In 2004, disasters such as the Sumatra Earthquake off the coast of Indonesia and the Niigata Earthquake in Japan occurred one after another, causing great suffering.

Immediately after the Sumatra Earthquake occurring at the end of December 2004, we committed to a donation of 100 million yen, not only as emergency support, but to help with mid-term and long-term reconstruction efforts. The donation is being used to construct facilities to heal the traumas of suffering children and to provide mental care. A small portion was used for a mobile library. In addition, our employees raised funds around the world. These contributions were then matched by the company, providing additional support for reconstruction efforts in the disaster-struck areas.

The Niigata Earthquake measuring a magnitude of 6.8 on the Richter Scale struck the Niigata area in Japan on October 23, 2004, causing serious damage. Nissan provided food and pocket body warmers to the area immediately after the earthquake. In addition to the initial support, five of our employees participated in the "Corporate Volunteer Program," which was soon established to help victims. These employees engaged in volunteer activities in the disaster area.

Just as a company is a citizen of society, so are its employees. To respond to employees' interests in volunteer or social activities, the company has prepared the necessary systems for support. We initiated the Financial Support Program in 1996 to provide financial support and also to provide information regarding volunteer activities to our employees and their families. We wish to maintain a corporate culture in which our employees can freely participate in volunteer activities at any time.

A social project in Brazil

Linking its tradition of 4x4 vehicles with a social project, Nissan do Brasil sponsors the "Idéia Fixa" project. This project aims to supply food, clothes and hygiene material to those in need living in poor regions in Brazil. Nissan do Brasil has

supported the project since its launch in 2002, lending a Frontier pickup for the transportation of donations, and also providing financial support to the program.

The "Idéia Fixa" project is a non-profitable, non-governmental project and has expanded its operations through 8 Brazilian states, helping over 8,000 people. More than 62 tons of donations have already been delivered.



Receiving the First Asahi Corporate Citizen Award from the Asahi Newspaper (Japan)



Award ceremony of the 6th Nissan-NPO Learning Scholarship Program (Japan)

For Future Generations

Investing in the Future

Our main program areas are “Support for Fostering Creativity” and “Environmental Protection”

Nissan is working to be a company that is valued by society and recognized for excellence. The contribution we make through our economic activity is one of the ways we work to realize this goal. However, this contribution alone is not enough. We need to foster a number of activities and find more ways to contribute to society. However, it is difficult to respond at once to all the concerns of those who interact with Nissan. Therefore, we are focusing on three key activities for Nissan: “fostering creativity of children and young people,” “promoting a better understanding of environmental protection,” and “providing humanitarian relief.” It is our wish that children and young people should engage in a number of different experiences, which will, with time, enhance their opportunity to realize their dreams. We believe that such activities are an important investment in the future.

In 1991, we established a department dedicated to the promotion of social contributions and activities in Japan. Since then, we have taken on social issues by building a network of Non-Profit Organizations (NPOs). In addition,

we established foundations in Japan and the US to make contributions to science, culture and education and have supported many different activities.

Creating Opportunities for Young People to Work in a Non-Profit Organization

“Nissan-NPO Learning Scholarship Program”

One of our activities, conducted in partnership with an NPO (Non-Profit Organization), is the “Nissan-NPO Learning Scholarship Program,” started in 1998. In this internship program, we recruit students who want first-hand experience at an NPO and provide scholarships to the students. The program gives young people an opportunity to develop their creativity and their ability to think critically, and to act on their own initiative. From a total of 147 students who applied to the program in fiscal year 2004, 17 students were given an opportunity to work at an NPO as scholarship recipients. The scholarship students have described their experiences in the following ways: “I learned a lot about society and understand the severe social conditions and complicated situations surrounding an NPO,” or “I am now confident and able to act positively thanks to the unique experience I had.”



Story and picture books published (Japan)



Support for the All-Japan School Biotope Contest (Japan)

"School Visits Program" at Nissan Motor Iberica (Spain)

In March 2005, Nissan Motor Ibérica, S.A. in Spain started a new visits program addressed to elementary school students aged 8 to 12. Visits to our plant in Barcelona are organised twice a week. In the first three months, a total of 24 schools or 1,200 students will visit the

plant to learn about our manufacturing activities. After this launching period, the plan is to receive visits by about 50 schools or 2,500 students every year. In order to prepare students for the visit, didactic material is sent to the school to be shared with the students in advance.

After the visit, a book with a tale about the history of the automobile is given to all visitors.

With this initiative, we hope to provide a useful learning experience to the students, while at the same enhancing Nissan's brand image.

Receiving the Asahi Corporate Citizen Award

Nissan received the "First Asahi Corporate Citizen Award" in 2004. The awards program was established by the Asahi Newspaper in the same year to support and reward good "corporate citizens." Nissan was recognized for its unique activities carried out in cooperation with NPOs through the "Nissan-NPO Learning Scholarship Program."

Fostering Children's Imagination "Nissan Children's Storybook and Picture Book Grand Prix" develops many brilliant authors

Story and picture books are enjoyed by children from an early age. These books foster the sensibilities and imaginations of children and will remain as unforgettable memories even after they have grown up. On the other hand, it is said that finding new professional authors is difficult in the children's storybook industry, due to conditions in the commercial publishing business. "Nissan Children's Storybook and Picture Book Grand

Prix" is a contest for amateur storybook authors and was started in 1984 in cooperation with the International Institute for Children's Literature, Osaka. The contest attracts approximately 4,000 story and picture books from all over Japan every year. Winning works are published and donated through Nissan dealers to approximately 3,600 libraries across Japan as well as to kindergartens and nursery schools near Nissan's places of business. We have donated over 120,000 books in total.

Publishing the winning works has created an opportunity not only to introduce high quality books to society, but also for the prize winners to launch their careers as professional authors.

Activities that Lead to a Better Understanding of Environmental Protection

To promote activities aimed at deepening the understanding of environmental protection, we have built partnerships with NPOs. For example, we support the Ecosystem Conservation Society-Japan and the All-Japan School Biotope Contest.



Supporting technical research for making groundwater drinkable in Bangladesh



Near the plant area, next to the Barmston Pond, a fully lined artificial pond was created. This allows the adjustment of water volume in Barmston Pond. As a result, the ecosystem has become richer (Nissan Motor Manufacturing (UK) Ltd.)

Nissan Science Foundation Making Contributions Unique to Nissan

Doubling our contribution in fiscal year 2005

The Nissan Science Foundation, established in 1974, has played an important role as the first foundation financed by a Japanese vehicle manufacturer. Its total contributions in the past thirty years exceed 5.3 billion yen, supporting approximately 1,370 projects. To respond to the needs of a new era and to further promote advanced and unique activities, the Foundation's systems and activity areas were radically reformed in fiscal year 2004. As a result, the contribution amount was doubled for the implementation of new programs in fiscal year 2005. First, "creating solutions for social progress" was established as the overall objective of contribution activities. Contribution areas were redefined as "environment," "education" and "technologies leading to progress of the automotive society." Nissan also hosts the Nissan Science Prize, Science Study Support Program and Science and Environmental Education Aid.

The Nissan Science Prize is an award program started in 1993, in which emerging, enthusiastic researchers and innovators are selected every year. In fiscal year 2004, the research target area was environmental science. A researcher examining issues related to global greenhouse emissions was selected for the award.

The Science Study Support Program supports research projects that have been selected through public offerings, such as a research project examining technology to use underground water as drinking water in Bangladesh. We select significant themes that are difficult for researchers to fund.

The Science and Environmental Education Aid program was established to encourage children to take an interest in science and environmental preservation. In fiscal year 2005, we also began to support a science education program that reflects the regional characteristics around Nissan's places of business.

Global Expansion of Social Contribution

In this section, we will introduce some specific examples of Nissan's social contributions worldwide.

Nissan Motor Manufacturing (UK) Ltd. organizes Industry Days at the plant, an educational activity provided in cooperation with the local community. Although the shipbuilding and coal mining industries once prospered in Sunderland, the region today faces high unemployment caused by changes in the industrial structure. Through cooperation with other companies, the plant provides opportunities for children to learn about the industries of the region and to acquire useful skills. It is our hope that this initiative will help give young people a belief in the future of the region.



Industry Days, an educational activity in collaboration with the local community (UK)



Presenting grants by Nissan Foundation (USA)

Programs with a variety of themes, such as reading and writing skills, mathematics skills, environmental knowledge, and languages, are provided for 20 to 30 days a year.

In addition, 'Back to School with Nissan' is a program where NMUK opens its doors to teachers. It invites several teachers from schools in the North East of England, so the teachers can have an opportunity to see the rationalized management and technologies of the plant, as well as to actually experience working at a plant of their choice for a full day. NMUK started the program in 2004 with the wish that the know-how obtained at the production site will be applied to education sites.

Nissan North America, Inc. — Investing in the future— Since incorporating in the US over 40 years ago, Nissan North America and its US affiliates have demonstrated a strong commitment to Enriching People's Lives, in part through its philanthropic investments in non-profit organizations. Through Nissan Neighbors, the company donates over US\$3 million a year to charities, in addition to in-kind donations and various sponsorships used to support programs that promote education, the environment, humanitarian aid, safety and diversity. The Nissan Foundation, which was established in 1992, also supports the company's goal of investment in the future. The Foundation provides grants supporting its mission to

foster an appreciation and understanding of diverse cultural heritages, and to enhance career opportunities for young adults in the automotive industry. The Nissan Foundation's endowment has increased to \$6 million and will grow to \$10 million by 2008.

Exchange activities with the local community

— Kyushu Plant in Fukuoka, Japan —

The Kyushu Plant, located in Fukuoka Prefecture, Japan, started operations in April 1975 and was the first vehicle plant on Kyushu Island. It is one of Nissan's largest plants, celebrating its 30th anniversary in 2005. To date it has produced over 10 million vehicles. To be appreciated by the local people and to be trusted as an "open plant," a variety of events are used to establish strong ties with the local community. The annual festival organized by our Kyushu Plant held in September 2004 had 35,000 visitors, the largest number ever. The festival was crowded with people, not only in the main festival site in the plant's parking lot but also in the children's square and the spacious meeting spaces provided around the renewed guest hall for business people. Furthermore, to assist with sports promotion for young people, we organize annual sports meetings for volleyball, table tennis, tennis and other sports. We also host baseball classes offered by Nissan Kyushu's baseball team, which participates regularly in the Inter-City Baseball Championship Tournament in Japan.